

# UN Food Systems Summit +4 Stocktake

## SESSION REPORT

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- ☐ Plenary
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- ☒ Investment Dialogue
- ☐ Stakeholder Action Session

## Accelerating Investment Through Innovative Finance

28 July 2025 | 15:00 – 16:20

Name of note-takers: Yasaman Matinroshan and Lauren Phillips

Session lead/co-lead: Food and Agriculture Organization of the United Nations

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List of speakers, in all segments, and key messages

| NAME AND TITLE OF SPEAKER  | SEGMENT (opening, panel, closing, etc.) | KEY MESSAGES OR/AND RESPONSES TO QUESTIONS   |
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| Moderator: Ms. Lauren Philipps, Deputy Director, Rural Transformation and Gender Equality, FAO | Opening                                 | Crisis of food security is often the crisis of financing. The amount of agrifood systems financing has barely increased since 2015<br><br>Not only how to innovate but how to scale up financing |

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|  |  | <p>Agrifood systems have not benefitted from the innovation in financing comparing to other sectors</p>  |
| <p>Ms. Amina J. Mohammed,<br/>Deputy Secretary-General of<br/>the United Nations</p> |  | <p>Food systems are more than just food.</p> <p>What the data reveals is the crisis of priority and not just resources.</p> <p>The result is food crisis but also crisis of Justice where 733 million people are suffering from food insecurity. The crisis demands a systemic change.</p> <p>Blended finance, green bonds, insurance schemes,</p> <p>We need action across four priority areas: 1) government-led transformation by aligning policy, budget and institutions, 2) derisk private investment through guarantees and concessional loans, 3) Private sector to commit to more inclusive business models, 4) South-South and Triangular Cooperation to share knowledge and technology.</p> |
| <p>Mr. Máximo Torero Cullen,<br/>FAO Chief Economist</p>                             |  | <p>Agrifood systems is a key enabler for the achievement of the SDGs and currently neither the quality nor the quantity of financing meets the demand of the countries in need.</p> <p>To achieve SDG 2 we require additional resources ranging from 176 billion to 3 trillion to 2030.</p> <p>Goal to increase financing, but to ensure that it is systemic, localized and right-based. It reaches small scale food producers and rural communities and reorient government agriculture expenditure towards sustainability and inclusivity.</p> <p>Innovative finance plays a significant role in countries with more microeconomic stability.</p>  |

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|   |  | <p>We should differentiate the products depending on the level of risks at country level.</p> <p>Need to carry a reform of the development finance architecture for gender equality and women empowerment and to scale up, redirect climate finance for agrifood systems.</p> <p>Two relevant FAO led initiatives: 1) Financing for Shock-Driven Food Crisis Facility, 2) The Hand in Hand Initiative.</p>  |
| <p>Mr Alexandre Rutikanga<br/>Chief Technical Advisor,<br/>Ministry of Agriculture and<br/>Animal Resources, Rwanda</p> |  | <p>Derisk for private sector investment</p> <p>Guarantee schemes, help investors access financing</p> <p>Agri-tech Rwanda innovation challenge supported by GCF and a recently launched climate smart investment plan with key intervention from the Private Sector including the World Bank and IFC.</p> <p>The strategic plan for Agriculture Investment in Rwanda has a value of 6 billion USD including private sector contribution.</p>  |
| <p>Ms. Alice Ruhweza,<br/>President, AGRA</p>   |  | <p>AGRA has been supporting farmers in accessing quality seeds while integrating climate resilience, gender equality, and youth opportunities to strengthen production, markets, and trade.</p> <p>Able to crowd in philanthropic and innovative funds (e.g., African Enterprise Challenge Fund), expand seed systems, and support farmer access to finance through yield-based collateral, insurance, and blended finance models.</p> <p>Important link between topics and challenges, like food loss and waste and climate financing.</p> <p>What is essential is technical capacity, enabling policy frameworks, and local markets to derisk investments, reduce structural barriers, and ensure sustainable finance flows</p> |

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|  |  | - even when aid declines and in the face of worsening climatic conditions.  |
| Ms. Shobha Shetty, Global Director, Agriculture and Food Global Practice, the World Bank |  | <p>There is an urgent need for scalable and innovative financing mechanisms to drive agrifood systems transformation, moving beyond traditional aid.</p> <p>Successful examples include debt-for-development swaps, result-based climate finance, performance-linked loans, and outcome-linked bonds targeting emissions, food loss, waste reduction, and biodiversity.</p> <p>Multilateral partnerships and smarter use of existing financing (e.g., reallocating subsidies, crediting emission reductions in forest-agriculture landscapes) can maximize climate outcomes while improving farmer livelihoods.</p> |
| Mr. Matthias Berninger, Executive Vice President, Bayer                                  |  | <p>Aim to reach 100 million smallholder farmers by 2030, enabling them to run successful businesses and make informed choices through systemic investments (e.g., seed production in Zambia).</p> <p>Insurance—especially climate-smart, fintech-enabled, and blended-finance models—is the most impactful innovation for smallholders, reducing livelihood risks and unlocking better on-farm investments.</p> <p>Innovation should boost domestic food production, reduce import dependence, and scale sustainably without harming biodiversity or worsening the climate crisis.</p>                              |
| Ms. Jen Haugen, Deputy Director of Global Food Security Hub, FCDO                        |  | <p>Build strong partnerships aligned with national and regional priorities, ensuring agri-food system solutions are context-appropriate and sustainable.</p> <p>Commit to innovative financing mechanisms, leveraging scarce resources through a multilayered portfolio that supports smallholder resilience, small businesses, food</p>  |

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|   |  | <p>and nutrition security, and climate- and nature-positive approaches.</p> <p>Focus on scaling successful pilots (“islands of excellence”) into broader pipelines, while addressing risk-sharing and management challenges in complex settings.</p>   |
| Mr. Jacob Oduor, Lead Economist, West Africa Region, African Development Bank                           |  | <p>Expand concessional financing and risk-mitigation instruments to reach smallholder farmers, youth, and women enterprises, including guarantees at the corporate level and crop insurance through trust funds.</p> <p>Provide technical assistance to develop bankable projects, incubate innovative ideas, and unlock infrastructure gaps via agri-industrial processing zones.</p> <p>Support youth entrepreneurship and small-scale innovators with targeted trust funds, blended finance, and hybrid capital tools to foster impactful ventures.</p> <p>Strengthening thought leadership and active participation in global discussions on innovative financing (e.g., SDR rechanneling, voluntary carbon credits, syndication) to scale solutions and share best practices.</p> |
| Mr. Giulio Dal Magro, Head of Funding, International Development Cooperation, Cassa Depositi e Prestiti |  | <p>Micro and small enterprises - Often financed indirectly through blended resources and donor-backed cheap funding; derisking tools (e.g., guarantees) are critical to expand lending.</p> <p>Local banks - Need technical assistance to design financing products, monitor outcomes, and ensure alignment with beneficiaries’ needs.</p> <p>Medium-size companies - Can benefit from tailored capital market tools such as mini-bonds and more specific financial products.</p> <p>Large companies - Require sustainability or results-based bonds, with clear incentives to drive responsible practices.</p>  |

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|   |  | Sovereigns - Financing should focus on enabling environments and blending resources to scale impact.   |
| Ms Ana Herrera, Director of Inclusive Investment, Technoserve |  | <p>The CASSA program (with FCDO) promotes commercial agriculture for smallholders by encouraging inclusive agribusiness models and strengthening financial institutions to boost investment returns.</p> <p>Other initiatives across countries address agro-finance gaps by working with agri-tech companies to scale innovations and using risk-sharing mechanisms to attract banks (India, Kenya).</p> <p>With technical assistance, investments can support commercial extension, input financing, and productivity-enhancing services.</p> <p>Greater collaboration with development finance institutions and openness from investors to test new value models are essential to unlock added value in agri-food systems.</p> |

#### Overall session summary, conclusions and recommended actions (max 250 words)

- 1) Need to derisk – through tools like insurance on the ground and through blending finance - and address structural issues like macroeconomic management and high debt levels.
- 2) Need to realize that new financing alone is not enough. We can repurpose money – as both FAO and WB mentioned – but we also need technical support as so many actors mentioned, especially if we want to reach the poorest – e.g. women and youth which many speakers singled out as needing specific support.
- 3) Need to work in partnership – each focusing on the part of the system which is their advantage – concessional resource provision, technical and policy support, implementation support, private investment, or creating large and innovative financial products – in order to achieve the goals set out at the start of the presentation.